

Author: Cogdill Analyst: Anne Mazur Bill Number: SB 788
 Related Bills: See prior Analysis Telephone: 845-5404 Amended Date: July 9, 2007
 Attorney: Tommy Leung Sponsor: Franchise Tax Board

SUBJECT: Water's-Edge Audits

☐ ANALYSIS NOT REQUIRED of this bill – Not within scope of responsibility of this department.

☐ TECHNICAL BILL – No program or fiscal changes to existing program.

☐ BILL AS AMENDED NO LONGER WITHIN SCOPE of responsibility or program of the department.

☐ TECHNICAL AMENDMENT – No change in previously submitted analysis required.

☒ Approved position of prior analysis is Support.

☐ MINOR AMENDMENT – Remainder of previous analysis of the bill as introduced/amended still applies.

☐ MINOR AMENDMENT – No change in approved position of _____.
See Comments below

☒ OTHER – See comments below.

COMMENTS:

This bill would permit the Franchise Tax Board (FTB) to conduct detailed audits of water's-edge taxpayers on a discretionary, rather than mandatory, basis.

The July 9, 2007, amendments added the term "all" to require FTB to examine all returns of water's-edge taxpayers.

The July 9, 2007, change is a nonsubstantive, clarifying amendment that is consistent with the department's interpretation of current law and, therefore, does not impact the department. The department's analysis of the bill as introduced on February 23, 2007, still applies.

Board Position:

☐ S ☐ NA ☐ NP
☐ SA ☐ O ☒ NAR
☐ N ☐ OUA ☐ PENDING

Franchise Tax Board Staff

Date

Anne Mazur

7/12/07